(b) if so, what are the areas of foreign investment which India is envisaging for development of Indian economy?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANIMANICKAM): (a) and (b) In recognition of the fact that the country needs a large quantum of foreign investment, the Government welcomes foreign direct investment (FDI) as well as the participation of foreign institutional investors (Flls). The foreign investment policy is reviewed on an ongoing basis and has been progressively liberalized.

FDI is encouraged and actively sought after, particularly in areas of infrastructure, high technology and exports.

Regional disparities in States

3432. SHRI R.K.ANAND:
SHRI SANTOSH BAGRODIA:

Will the Minister of FINANCE be pleased to state:

• (a) whether it is a fact that regional disparities in the States had increased during the last decade;

(b) if so, what are the reasons and how they can be removed;

(c) in the light of the above, whether the scope of the Finance Commission will be enlarged in order to reduce the interference of the Centre in the financial management of the States and the discretionary transfers; and

(d) whether Finance Commission would be accorded permanent status; and if not, the reasons for the same?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANIMANICKAM): (a) and (b) Overall disparity in inter-State growth did increase during the nineties as compared to eighties and seventies. Faster growth in some States could be on account of reformed States harnessing more of their true potential.

(c) and (d) There is no such proposal under consideration of the Government.

Imposition of excise duty on MRP

3433. SHRIMATI BIMBA RAIKAR: Will the Minister of FINANCE be pleased to state:

(a) whether Government have announced imposition of a levy of Excise